



State of California—Health and Human Services Agency  
**Department of Health Services**



SANDRA SHEWRY  
Director

ARNOLD SCHWARZENEGGER  
Governor

May 5, 2004

**PPL No. 04-003**

TO: Local Governmental Agency (LGA) Coordinators for  
Targeted Case Management (TCM)

SUBJECT: **TCM FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)  
DECREASE**

This letter advises LGAs that the FMAP will decrease from 52.95 percent to 50.00 percent effective for services provided on or after July 1, 2004, the start of State fiscal year (FY) 2004-05. The FMAP is used to calculate the maximum federal share for reimbursement to the LGA. The TCM System will automatically adjust invoices submitted after October 1, 2004, when the TCM System is adjusted with the start of the federal FY. Staff from the Local and Schools Services Unit (LSSU) will manually adjust invoices with dates of service from July 1, 2004, to September 30, 2004, to be reimbursed at the correct FMAP. Continue to process invoices normally.

The following chart identifies the FMAP from April 1, 2003 forward:

<b>DATES OF SERVICE</b>	<b>FMAP</b>
April 1, 2003 – September 30, 2003	54.35 percent
October 1, 2003 – June 30, 2004	52.95 percent
July 1, 2004 – September 30, 2005	50.00 percent

This decrease in the FMAP does not change how an LGA submits TCM claims. LSSU staff will calculate the federal share for reimbursement based on the prevailing FMAP for the date of service. The change in FMAP applies only to TCM claims and does not affect the federal financial participation for the Medi-Cal Administrative Activities (MAA) program.

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If you have any questions, please contact Ms. Elizabeth Touhey, Chief of the LSSU, at (916) 552-9616 or by e-mail at [etouhey@dhs.ca.gov](mailto:etouhey@dhs.ca.gov).

Sincerely,

**Original Signed by Mary Lamar-Wiley**

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